GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:2906
ANSWERED ON:15.03.2001
TELECOM BUSINESS IN THE PSU
SANJAY PASWAN

Will the Minister of POWER be pleased to state:

(a) the number of PSUs under the Ministry, which is diversifying in the telecom business;

(b) if so, the details thereof;

(c) whether investment would affect the objectives for which it was formed;

(d) if so, the impact it will have on consumer in respect to power tariff;

(e) whether the Ministry has appointed foreign consultant to guide them to diversify in telecom business;

(f) if so, the details thereof; and
(g) the qualification prescribed for this post?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) & (b) : Power Grid Corporation of India Ltd. (PGCIL) has plans to enter into telecom communication sector as infrastructure provider by leasing end-to-end bandwidth. The power transmission lines owned by PGCIL provide excellent connectivity throughout the country, which would enable setting up an optic fibre network on all India basis for broadband communication. POWERGRID plans to develop telecom backbone network of about 14,000 Kms. In the next 2-3 years at an estimated cost of Rs.1100 crores which will connect all metros and major towns and cities in the country.

(c) & (d) : Telecom business is one of the objects included in the Memorandum of Association of PGCIL. The additional resources generated by PGCIL from telecom business will be ploughed back with the ultimate aim to provide power to the consumer at comparatively lower cost.

(e) & (f) : In view of complexities involved PGCIL had appointed M/s IVO Power Engineering, Finland as consultant to advice in its diversification plan.

(g) : The requirements prescribed for pre-qualification of consultant are given in Annex.

ANNEXURE REFERRED TO IN REPLY TO PART (g) OF LOK SABHA UNSTARRED QUESTION NO.2906 TO BE ANSWERED ON 15.3.2001.

REQUIREMENTS PRESCRIBED FOR PRE-QUALIFICATION CONSULTANT TO ADVISE POWERGRID IN IT DIVERSIFICATION PLAN

1. The consultant should have experience of its own/ should have advised at least one power utility, for entering into telecommunication business and establishment of a long distance optical fibre network utilizing overhead EHV power transmission lines (with parameters as defined in para 2 below) for telecommunication purposes on a commercial basis in following areas:

(a) Regulatory, Contractual, Commercial aspects including commercial viability analysis and market assessment, tariff formulation and marketing strategy

(b) Evaluation of business options and preparation of business plans and organisations

(c) Technology assessment including Planning, Design, Engineering, preparation of specifications and supervisions of implementation

(d) Operation of the network on commercial basis

2. The optical fibre network established should have been in successful operation for at least one year as on date of submission of proposal and should have the following minimum parameters:

(a)	Minimum route length of the optical fibre network on EHV overhead power lines	500 Kms.
(b)	Technology with self healing feature	Synchronous Digital Hierarchy
(c)	Services supported	Voice/Data/Video